SAN LUIS OBISPO COUNTY

DEPARTMENT OF PLANNING AND BUILDING

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DATE: **January 8, 2015**

TO: **Planning Commission**

FROM: **James Caruso, Senior Planner**

SUBJECT: **Study Session #2 for the San Luis Obispo County Renewable Energy Streamlining Program**

RECOMMENDATION

Staff recommends that your Commission conduct a study session on the County Renewable Energy Streamlining Program (RESP), receive public comments, and provide staff with questions or issues to be addressed at future hearings.

Background

San Luis Obispo County has developed this RESP that will encourage and streamline permitting of renewable energy projects, primarily solar and wind energy projects, in the most suitable locations. The RESP gives special attention to streamlining the permitting of accessory renewable energy facilities for on-site use such as rooftop and ground-mounted facilities, as well as small wind generators. The RESP applies in the inland area of the county only; it does apply in the Coastal Zone.

The objectives of the RESP are accomplished through a variety of ordinance and General Plan revisions. One of the key features of the RESP is a new Renewable Energy (RE) Combining Designation to identify the most suitable areas for renewable energy development. The RESP also includes revisions to the Rules of Procedure to Implement the California Land Conservation Act of 1965.

A programmatic Draft Environmental Impact Report (Draft EIR) has been prepared to support streamlining of eligible on-site renewable energy projects as well as larger renewable energy projects. The Draft EIR and streamlining program were developed together so that impacts identified in the Draft EIR are addressed with "performance standards" for renewable energy projects in the RESP.

Project Funding

On April 23, 2013, the County Board of Supervisors adopted a resolution supporting submittal of a grant application to the California Energy Commission (CEC) for a Renewable Energy and Conservation Planning Grant to fund mapping, streamlining and environmental analysis of eligible renewable energy projects. The CEC then awarded the County $638,152 for the project. The County became eligible for this grant after Assemblyman Achadjian sponsored successful legislation that included the County in the grant program.

Following a competitive solicitation process, the County selected a consultant team to assist staff with program development. Due to the requirements of the CEC grant, the County must complete the RESP by March 2015.

Project Overview

The RESP implements policies and programs in the Conservation and Open Space Element (COSE) of the County General Plan to designate and protect areas that contain renewable energy resources and to streamline planning and development rules, codes, and processing to encourage renewable energy development.

The RESP defines renewable energy projects in four "tiers" ranging from Tier 1, smaller projects less than 20 acres in size, all the way up to Tier 4, which could cover over 160 acres. Also included are renewable energy projects that are accessory to uses on the site such as the solar facilities found at some wineries. These smaller facilities that supply electric power for on-site use would continue to be permitted with Zoning Clearance and building permits.

The RESP focuses on streamlining distributed generation renewable energy facilities, also known as distributed energy resources. These facilities are generally 160 acres or less in size. The Conservation and Open Space Element, as it is proposed to be revised, defines distributed energy resources by facility size and purpose:

> "Distributed energy resources *(DER) are small, modular, energy generation and storage technologies that provide electric capacity or energy located where it's needed, often at a customer's location. These facilities are typically owned by non-utility entities, such as generation developers or utility customers that offset all or part of the customer's on-site electrical load. DER's typically produce less than 20 megawatts (MW) of power near the point of use and include wind turbines, photovoltaics (PV)* □ "

Streamlining the permitting process for distributed generation projects is proposed in three ways:

1. Establish (and where already practiced, maintain) ministerial approval for smaller accessory renewable energy projects that provide power primarily for on-site uses. Ministerial approval does not include environmental review, public hearings or extensive application review. An application that meets strict performance standards to protect resources can proceed without further review.

2. Create a RE Combining Designation for larger renewable energy projects up to 160 acres in size. The RE designations are circles ten (10) miles in radius, centered on electrical substations, in areas with fewer environmental constraints. Larger projects in these areas are designed to send power to the electrical grid with no on-site electric use. Electrical substations are the locations where these larger projects would tie into the grid. The size of the designations allows project proponents and landowners the flexibility to be part of the program if site characteristics (e.g. slope, vegetation, exposure) are conducive to a renewable energy project and if performance standards can be met.

3. Establish shortened application processing times and greater certainty through Site Plan Review for distributed generation (160 acres maximum) if the projects can meet performance standards, for example, limiting development to previously disturbed land and on certain types of soils.

Currently, most of the projects defined in Tiers 1 through 4 require at least a Minor Use Permit with individual environmental review and public hearings (exceptions are rooftop installations and small ground-mounted, accessory facilities). The RESP seeks a substantial increase in certainty of the outcome and substantially less time to complete the application process, especially for projects meeting the standards for Tiers 1, 2 and 3 through the use of the Site Plan Review process[1].

Table 1 on the following page provides a synopsis of the tiers and permitting requirements for solar electric facilities (SEFs) and wind energy conversion systems (WECS). It summarizes the streamlining accomplished by the proposed program.

[1] Site Plan Review is required by this Title for projects more intensive than those requiring a Zoning Clearance. Site Plan Review considers the greater effects these uses may have upon their surroundings, as well as the characteristics of adjacent uses that could have detrimental effects upon a proposed use. Like the Zoning Clearance, a Site Plan Review is also a ministerial land use permit.

Table 1, Permit Requirements

Zoning Clearance	Site Plan Review	Minor Use Permit	Conditional Use Permit
Tier 1 SEF - roof- or structure-mounted Located on the roof or structure of a conforming use or structure	Tier 1 SEF, ground-mounted– 20 acres or less not on Class I or II soils and meets one of the following: • Previously developed or degraded lands in CS or IND categories, or • On land that is graded, disturbed or altered	Tier 2 SEF – 40 acres or less outside an RE designation and meets the following: • Not on Class I or II soils • Ground-mounted • Located in urban areas or rural sites in the CS or IND categories	Tier 3 SEF – 160 acres or less outside RE designations Tier 4 – more than 160 acres
	Tier 2 SEF– 40 acres or less in an RE designation, not on Class I or Class II soils, and meets all the following: • Other than OS or REC categories • Not sited on Important Ag Soils, unless sited on Highly Productive Rangeland		
Tier 1 WECS, roof- or structure-mounted	Tier 3 SEF – 160 acres or less in an RE designation, not on Class I or Class II soils, and meets the following: • In the CS, IND or AG categories • Not on Important Ag Soils, unless sited on Highly Productive Rangeland	Tier 2 WECS – Ground mounted and meets the following: • Up to 100 feet tall • No more than 2 mw capacity	Tier 3 WECS – Greater than 100 feet or rated at more than 2 mw

Revisions to County General Plan, Ordinances, and Procedures

The RESP uses the model solar ordinance developed by the California County Planning Director's Association, as well as the environmental analysis in the Draft EIR. The model ordinance was partially based on our County's Conservation and Open Space Element solar streamlining program.

The RESP primarily consists of revisions to Articles 1 – 8 of the Land Use Ordinance, Title 22 of the County Code. In addition, the RESP includes revisions to the County's land use framework to remove barriers to development of renewable energy facilities. These revisions are to:

- Framework for Planning, Part of I of the Land Use and Circulation Elements, as well as the Official Maps: amendments to establish and map the RE Combining Designation.
- Article 9 and Article 10 of Title 22, Planning Area Standards and Community Planning Standards: amendments to remove prohibitions on renewable energy facilities by including them in various standards that list allowable uses in certain areas.
- Conservation and Open Space Element: minor updates to goals, policies, and glossary to ensure consistency of renewable energy definitions with new distributed generation and technology definitions in Title 22.
- Land Conservation Act (Williamson Act) Rules of Procedure: revisions to allow electric-generating plants (electricity generation) subject to strict criteria.

A tabular summary of proposed revisions to general plan policies, the land use ordinance and Rules of Procedure is in Attachment 1. Many of the revisions are relatively minor or are needed for consistency purposes. The following issue discussion focuses on the more major issues: 1) renewable energy as an accessory use; 2) the RE Combining Designation; 3) streamlined permit levels and development standards; and 4) how to treat land subject to Land Conservation Act contracts.

The RESP's primary streamlining mechanism is the use of the Site Plan review process instead of Minor Use Permits. Through Site Plan review, staff can make sure that renewable energy projects meet the requirements of local, state and federal laws and are consistent with the County General Plan. This is described in more detailed in the following section, *Streamlined Permitting Development for Solar Electric Facilities (SEFs).*

Accessory Uses

The RESP addresses accessory renewable energy-generating facilities in LUO Section 22.32.020 (page 19, Attachment 4). An accessory renewable-energy generating facility provides power primarily to on-site uses. A Zoning Clearance is required for accessory renewable energy facilities *unless* any of the following criteria are met. In that case, accessory renewable energy-generating facilities would require Site Plan Review or a discretionary land use permit, as required by Chapter 22.32 (as proposed):

a. Provides energy for sale to off-site uses
b. Is within an Open Space or Recreation land use category
c. Is within an Airport review, Flood Hazard or Sensitive Resource Area Combining Designation
d. Is ground mounted and over ½-acre in area
e. Is located within 100 feet of a public road
f. Is proposed on a parcel with no use
g. Is on Class I or II soils
h. Is subject to environmentally-related permits

The proposed ½-acre limitation in d above is taken from the model solar ordinance developed by the California County Planning Director's Association. However, it, as well as other parts of the RESP, may be revised during the public hearing process. Since land uses such as large wineries can use the power provided by a three-acre solar facility solely on site, the Planning Commission could consider increasing the allowable size of an accessory renewable energy facility. This would be consistent with past practice, which has allowed accessory solar energy facilities larger than ½-acre with a Zoning Clearance.

Renewable Energy Combining Designation

The RE Combining Designation is established to streamline the approval of renewable energy projects in a studied and deliberate manner. The purpose of this combining designation is proposed in Section 22.14.100 (page 8, Attachment 4):

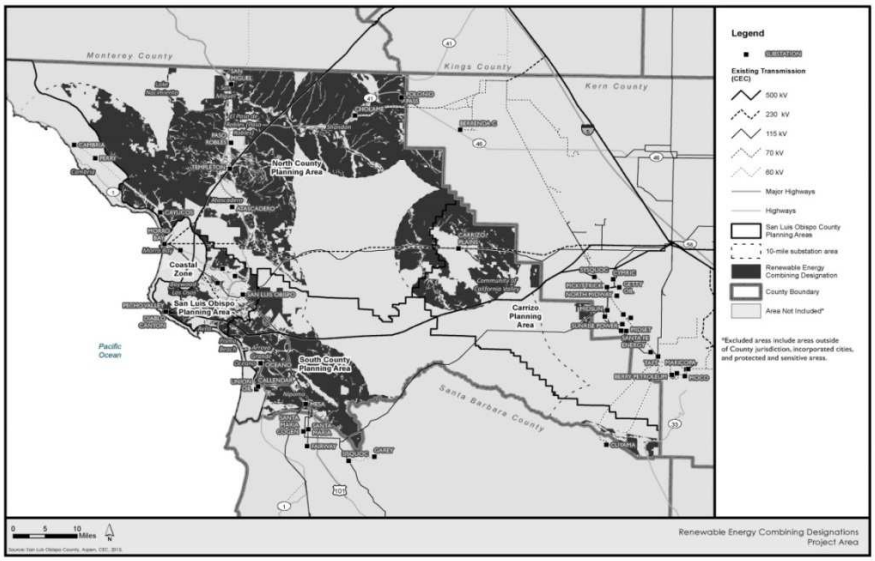
a. Identify areas of the county where: (1) renewable energy production is favorable, (2) the production of renewable energy resources is prioritized, and (3) permit requirements are structured to streamline the environmental review and processing of land use permits for solar electric facilities.
b. Protect the development and use of locally appropriate distributed renewable energy resources in priority areas in a manner that will not degrade ecosystems, agricultural resources, and other environmental resources.
c. Notify landowners and the general public of areas where development of renewable energy resources is prioritized.

Areas included in the RE Combining Designation are those that are most conducive to streamlining permits for SEFs. They are shown in Figure 1. The RE Combining Designation includes inland, unincorporated county areas under the County's jurisdiction that **are not** located in the following sensitive areas with special resources or characteristics:

- Sensitive Resource Areas (SRAs) for visual resources
- Certain Highway Corridor Design Standard areas
- Areas covered by conservation easements
- Areas that have been or are intended for preservation for unique biological values

- Recreation (REC) and Open Space (OS) land use categories
- Any areas beyond a 10-mile distance from an existing electrical substation
- Class I or Class II irrigated soils
- Federal and state-designated and managed public lands, such as state parks, national forests, and national monuments.

Figure 1, RE Combining Designations



The RE Combining Designations are located within 10-mile radii around existing electricity substations, as renewable energy projects are most likely to be located where electricity distribution tie-ins are most readily available, feasible, and cost-effective.

Streamlined Permitting Development for Solar Energy Facilities (SEFs)

Preceding Table 1 summarizes permit levels for the tiers of solar and wind energy development inside and outside RE Combining Designations. In general, the permitting process for Tier 1 SEFs that meet qualifying criteria are streamlined through Site Plan Review (SPR), both within and outside of the RE Combining Designation. Within the RE Combining Designation, larger Tier 2 – Tier 3 SEFs can qualify for SPR if consistent with additional criteria and standards. The RESP allows for streamlining of qualifying SEFs up to 160 acres in size. With current technologies, this size of project could equate to a facility with a capacity of about 20 MW.

All tiers of SEFs qualifying for SPR are contingent on the project and site meeting performance standards described below. These standards were developed through the concurrent environmental review process. As the environmental analysis was conducted, potential impacts of the RESP were identified. This led to changes to the RESP so that the identified impacts were addressed through the requirements of the ordinance itself. The result is that proposed Tier 1, Tier 2 and Tier 3

projects meeting rigorous standards can be streamlined using the Site Plan Review process instead of Minor Use Permits. As SEF project sizes increase, the requirements for streamlining become more rigorous.

Ground-mounted Tier 1 SEFs (20 acres or less) that are either within or outside of an RE Combining Designation may be eligible for Site Plan Review if the proposed projects meet the following minimum criteria established in Section 22.32.050 A. (page 31, Attachment 4):

a. Not sited on Class I or II soils, and
b. Proposed on land that is graded, disturbed, or altered, consistent with definitions for "Development," "Grading," or "Site Disturbance" in the Land Use Ordinance[2], or
c. If not consistent with item b above, is located on land that was previously developed for industrial or commercial purposes and degraded or contaminated and then abandoned or underused.

Once a Tier 1 SEF meets the preceding criteria, it also must demonstrate consistency with the following standards applicable to all ground-mounted energy-generating facilities, established in Section 22.32.040 D. (pages 29-30, Attachment 4). The following standards apply both within and outside of the RE Combining Designation.

a. The project may be subject to and must comply with any other permitting requirements by local, state or federal agencies.
b. Botanical reports or biological reports prepared as part of the proposed SEF application do not indicate the presence or potential presence of state or federally-listed wildlife or plant species or designated critical habitat. Otherwise, a Minor Use Permit is required and the project is not eligible for Site Plan Review unless the project meets the exception described in Item c below.)
c. If not consistent with Item b above, the project is still eligible as a Tier 1 SEF for Site Plan Review if it meets the following: 1) is in San Joaquin Kit Fox habitat area, 2) the botanical or biological report does not identify any other state or federally-listed species, and 3) the project includes the standard mitigation ratio and all applicable kit fox conditions for grading and building.

If a Tier 1 SEF (20 acres or less) does not meet these standards, it may still qualify for Site Plan Review if it can meet the streamlining standards of Tier 2 or 3 in the RE Combining Designation. If the proposed project cannot meet streamlining requirements for Tiers 1-3, this section does not apply and the proposed project then has to proceed under Section 22.32 permitting requirements (Minor Use Permit or Conditional Use Permit, based on project characteristics).

[2] **Site Disturbance.** Any activity that involves clearing, grubbing, grading, or disturbances to the ground such as stockpiling or excavation.

In order for a Tier 2 or 3 SEF to use the streamlined process in 22.14.100 (RE Combining Designation), the following performance standards must be met (LUO Section 22.14.100.B.2 – B.3, pages 9-10, Attachment 4). Note that SEFs 20 acres or less in size that don't meet the Tier 1 criteria can still qualify for Site Plan Review as a Tier 2 or Tier 3 SEF in the RE Combining Designation if all standards are met.

a. If greater than 20 acres, not located on land subject to a Land Conservation Act contract.
b. If less than 20 acres and subject to a Land Conservation Act contract, additional standards may apply beyond those listed here.
c. No additional energy transmission or distribution lines constructed in an RE Combining Designation and no easements over parcels outside the RE Combining Designation.
d. No new transmission lines to tie into grid.
e. Not sited on Class I or II soils
f. Not located in a Sensitive Resource Area for visual resources.
g. Site not subject to a conservation easement prohibiting energy generating facilities.
h. Not located in the Recreation or Open Space land use categories.
i. Not located in the Airport Review (AR) combining designation

Once the preceding minimum qualifying criteria are met, Subsection 22.14.100.E (starting on page 11, Attachment 4) identifies additional site-specific criteria for Tier 2 and Tier 3 SEFs in the RE Combining Designation:

a. Total area of the proposed SEF is no more than 40 acres in area, measured as the total area of the facility inclusive of components and subsystems that, in combination, convert or store solar energy into electric energy suitable for use (criteria for a Tier 2 SEF in the RE Combining Designation), or
b. If not consistent with Item a above, is 1) in the Commercial Service, Industrial, or Agriculture land use categories; and 2) the total area of the proposed SEF is no more than 160 acres in area, measured as the total area of the facility inclusive of components and subsystems that, in combination, convert or store solar energy into electric energy suitable for use (criteria for a Tier 3 SEF in the RE Combining Designation).
c. In the Agriculture (AG) land use category, is not sited on any type of Important Agricultural Soils as defined in the Conservation and Open Space Element, unless sited on Important Agricultural Soils designated as Highly Productive Rangeland Soils by the Conservation and Open Space Element. The proposed project may be located on Highly Productive Rangeland Soils or sited on other areas of the parcel without any Important Agricultural Soils.

Projects seeking streamlining as a Tier 2 or Tier 3 SEF in the RE Combining Designation must first meet the general and site-specific criteria described above. In addition, Subsection 22.14.100.F (starting on page 13, Attachment 4) provides a set of development standards listed below for Site Plan Review for Tiers 2 and 3 (in lieu of a MUP).

a. The project may be subject to and must comply with any other permitting requirements by local, state or federal agencies.
b. The botanical reports or biological reports prepared as part of the proposed SEF application do not indicate the presence or potential presence of state or federally listed wildlife or plant species or designated critical habitat. Otherwise, the permit requirements and standards of Chapter 22.32 (Energy-Generating Facilities) apply and no alternative requirements are available within the RE Combining Designation. In that case, a Minor Use Permit is required, unless the project meets the exception described in Item c below).
c. If not consistent with Item b above, Tier 2 SEFs are still eligible for Site Plan Review if they meet the following: 1) are less than 40 acres in area, 2) are in San Joaquin Kit Fox habitat area, 3) the botanical or biological reports do not identify any other state or federally-listed species, and 4) the project includes the standard mitigation ratio and all applicable kit fox conditions for grading and building.
d. Proposed fencing where sensitive wildlife is present shall include wildlife-friendly fencing that is no higher than 48 inches and allows for the free movement of species.
e. Project applications on remediated land or on disturbed lands will include a Habitat Assessment.
f. Provide setbacks from special status species pursuant to the Habitat Assessment.
g. Provide 500-foot setbacks from sensitive vegetation and special status species.
h. Provide 50-foot setbacks from any seasonal or perennial wetlands or drainages.
i. Provide an archaeological report to demonstrate avoidance of historical and/or archaeological resources, including a California Historic Resource Information Center (CHRIS) search to identify overall sensitivity for historic-era resources as well as locations of built resources of at least 45 years of age. If studies identify any potential resources, additional site surveys, technical reports, and standards are required.
j. SEFs proposed on undisturbed areas with no development or site improvements shall provide re-vegetation for any vegetation to be removed at a 3:1 ratio for sensitive vegetation and 1:1 for other vegetation.
k. In the Agriculture land use category, if on active agricultural use, provide a conservation easement at a 1:1 ratio to support agricultural uses at the same intensity (3:1 ratio if the compensating land supports lower intensity uses).
l. In the Agriculture land use category, if proposed on Highly Productive Rangeland Soils, provide a conservation easement at a 1:1 ratio on Important Agricultural Soils on the proposed site (3:1 ratio if the easement is off-site).
m. SEFs shall be screened from roadways and residences to the maximum extent feasible.

Renewable energy facilities, whether inside or outside of the RE Combining Designation, also need to meet the applicable development standards in Section 22.32 (starting on page 26, Attachment 4). For example, Section 22.32.050 B. (page 33, Attachment 4) includes a table of property line setback requirements for ground-mounted solar facilities and Section 22.32.050 C. (pages 34-35, Attachment 4) contains height limits for ground-mounted solar facilities. There are additional performance standards for discretionary projects.

Land Conservation Act

A substantial amount of land in the County is subject to Land Conservation Act contracts. These contracts reduce a property's tax based on value of agricultural products produced on the land. The development of uses other than agriculture on contracted lands must be done carefully with attention to compatibility issues. Under the existing Rules of Procedure to Implement the California Land Conservation Act of 1965, electric generating plants, including renewable energy facilities, are not listed as "compatible uses." Therefore, they are currently not allowable on contracted land. The RESP lifts the prohibition on renewable energy facilities on contracted land under strict permitting, size and siting requirements.

The Agriculture Preserve Review Committee (APRC) met several times to discuss issues surrounding renewable energy projects on contracted land. At its meeting of December 8, 2014, the Committee adopted a preliminary recommendation to allow renewable energy facilities on contracted land under limited circumstances, including:

- Each property must meet and maintain the current eligibility criteria in the Rules of Procedure for both establishment of an agricultural preserve and entering into a land conservation contract as well as the "Minimum Parcel Size for Conveyance" required by each contract.
- REF project acreage may not exceed 10% of the total acreage within a land conservation contract up to a maximum of 20 acres.
- On contracted land, REF projects on up to 10 acres are subject to Site Plan Review and REF projects between 10 and 20 acres in size are subject to a discretionary permit.

The APRC's complete recommendation is detailed in the memo in Attachment 2.

Draft EIR

A Draft EIR (DEIR) has been prepared for the RESP. The Final EIR will be available in late January 2015. This DEIR is known as a "program" (or programmatic) EIR. According to the CEQA Guidelines, a Program EIR is:

> "□ is an EIR that may be prepared on a series of actions that can be characterized as one large project, and are related□ .in connection with issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program□ ."

The Project Description (Chapter 2.0) describes renewable energy project build out under the program. The County EnergyWise Plan includes a goal to increase renewable energy production from small and large-scale renewable energy facilities to account for 10% of total local energy use. Based on current demand, that goal is 150 MW on 1500 acres of land. That is the basis for the environmental analysis in the DEIR.

The environmental review process helped shape the RESP, which went through many changes as a result of the iterative environmental analysis process. These revisions resulted in performance standards that would become part of the Land Use Ordinance. For example, the Site Plan review process was altered to require evidence that sensitive species do not exist on the proposed project site. Also, basic qualifications for a streamlined permit require such things as the correct soil type (i.e. not Class I or II), location outside of a Sensitive Resource Area (SRA) for visual resources, and the construction of no additional transmission lines to tie into the grid.

The DEIR has identified three Class I impacts of the RESP. These are significant and unavoidable impacts to the environment that could occur despite program changes and performance standards. The Class I impacts are:

a. Aesthetics
b. Agricultural Resources
c. Land Use

Aesthetics

Class I Aesthetic impacts include both impacts of the build out scenario (identified above) and the policy change to allow permit streamlining of these projects. The DEIR concludes (page 3.1-16):

> *"While these existing and proposed County Code requirements will minimize the visual impacts of solar installations, the site-specific setting and visual characteristics of all future SEFs proposed under the streamlining program cannot be known. Therefore, potential remains that certain SEFs could result in an aesthetic incompatibility within public view. Potential for this impact is considered significant, unavoidable, and adverse (Class I)."*

The DEIR also reaches this same conclusion regarding the policy change that will streamline certain solar projects through Site Plan review. There is no feasible mitigation.

Agricultural Resources

The Class I impacts to agricultural resources arise from the streamlining of ground-mounted Tier 1 SEFs on Important Agricultural Soils. In those situations, no compensation for the loss of agricultural soils is required, such as providing conservation easements, as is required for Tiers 2-4. The DEIR states that the purpose of the program is to encourage and streamline renewable energy development and such a mitigation measure would "run counter to the primary objectives of the Program."

Land Use

The Class I impact for Land Use is the same as the Agricultural Resources impact above. In this case, the proposed Land Use Ordinance changes to allow Tier 1 SEFs on Important Agricultural Soils without offsetting mitigation could indirectly diminish the function of those lands, leading to an indirect Class I land use impact.

Alternatives

The alternatives analysis was primarily accomplished through the iterative nature of the environmental analysis. As each section of the Land Use Ordinance revisions was completed, environmental analysis was conducted and then changes were made to the proposed ordinance to reduce or eliminate impacts that were identified. In essence, this project analysis and feedback loop constituted a comprehensive alternatives analysis where an alternative was analyzed and then revised to avoid environmental impacts. The result was that numerous versions of the RESP (i.e., alternatives) were considered and dismissed from further evaluation, ultimately leading to the project evaluated in this EIR.

The alternatives analyzed in this DEIR were ultimately chosen based on each alternative's ability to feasibly attain the basic objectives of the RESP while avoiding or reducing one or more significant environmental effects.

The primary objectives of the Program are to:

- Create a Renewable Energy (RE) Combining Designation that identifies locations where certain renewable solar electric facilities will qualify for permit streamlining if they meet specified standards and conditions for project size, site characteristics, and environmental protections.
- Revise the Land Use Ordinance to foster permit streamlining for other specified types of renewable energy facilities throughout the non-Coastal Zone portions of the unincorporated county (both within and outside of the RE Combining Designation).
- Support achievement of the County's goal to increase the production of renewable energy from small- and commercial-scale energy installations to account for 10 percent of total local energy by 2020 as presented in the County EnergyWise Plan.
- Provide a clear process and expectations for renewable energy projects in suitable locations that minimize environmental impacts.

1. Alternative 1 – Limited Combining Designation

Alternative 1 consists of an RE Combining Designation that is more limited in scope than that of the proposed RESP: rooftop and structure-mounted projects and ground mounted projects of 40 acres or less. This alternative would also limit streamlining (i.e. ministerial approvals) to only those projects that could be fully screened from public view adjacent to a project site, and would require that Tier 1 ground-mounted SEFs not be located on Important Agricultural Soils. The intent of this alternative is to reduce the project's Class I impacts to aesthetics and visual resources, agricultural resources, and land use and planning, and reduce overall impacts to other resource areas by substantially reducing the maximum allowed project footprint.

2. Alternative 2 – Smaller Combining Designation Footprint

Alternative 2 consists of a RE Combining Designation that excludes all land with Important Agricultural Soils. This would reduce the total acreage of the RE Combining Designation from 801,910 acres to approximately 483,570 acres, a reduction of approximately 40 percent. The sole intent of this alternative is to reduce the potential for Class I impacts associated with the conversion of agricultural land to nonagricultural uses, identified in the Sections 3.2 and 3.9. All other aspects of the RESP would remain unchanged.

3. Alternative 3 – No Project

Alternative 3 is the CEQA-mandated No Project Alternative. Under Alternative 3, existing policies governing renewable energy development in the county would remain in place. Environmental impacts may be reduced in some instances because all projects would be evaluated individually and with potentially greater scrutiny. However, Alternative 3 could also result in more cumbersome permitting processes with less certain outcomes, thus resulting in less renewable energy development than would occur under the RESP.

A comparison of the potential environmental impacts of the RESP and the three alternatives are shown in the following tables:

TABLE 4.0-2, ALTERNATIVES IMPACTS COMPARISON

Environmental Issue	Proposed RESP Impact Finding	Alternative		
		1 Reduced Scope	2 Reduced Footprint	3 No Project
Aesthetics and Visual Resources	Class I, III[3]	<	<	<
Agricultural Resources	Class I, III	<	<	<
Air Quality	Class III	=	=	=
Biological Resources	Class III	=	=	=
Cultural Resources	Class III	=	=	=
Geology and Soils	Class III	=	=	=
Greenhouse Gases and Climate	Class III, IV	=	=	=

[3] Multiple classes of impacts (i.e. Class I and III) in the same area can occur where the DEIR identifies more than one way to measure project impacts.

Environmental Issue	Proposed RESP Impact Finding	Alternative		
		1 Reduced Scope	2 Reduced Footprint	3 No Project
Change				
Hazards and Hazardous Materials	Class III	=	=	=
Land Use and Planning	Class I, III	<	<	<
Noise	Class III	=	=	=
Water Resources	Class III	=	=	=

< Impacts less than those under proposed RESP

>Impacts greater than those under proposed RESP

= Impacts similar to those under proposed RESP

TABLE 4.0-3, COMPARISON OF ALTERNATIVES TO PROGRAM OBJECTIVES (FROM DRAFT EIR)

Objectives	Alternative		
	1 Reduced Scope	2 Reduced Footprint	3 No Project
Create a Renewable Energy (RE) Combining Designation that identifies locations where certain renewable solar electric facilities will qualify for permit streamlining if they meet specified standards and conditions for project size, site characteristics, and environmental protections.	✓	✓	×
Revise the Land Use Ordinance to foster permit streamlining for other specified types of renewable energy facilities throughout the non-Coastal Zone portions of the unincorporated county (both within and outside of the RE Combining Designation).	×	✓	×
Support achievement of the County's goal to increase the production of renewable energy from small- and commercial-scale energy installations to account for 10 percent of total local energy by 2020 as presented in the County EnergyWise Plan.	×	✓	×
Provide a clear process and expectations for renewable energy projects in suitable locations that minimize environmental impacts.	✓	✓	×

× Alternative does not meet the objective

✓ Alternative meets the objective

Hearing Schedule

The hearing schedule for the RESP has been arranged to meet the California Energy Commission's grant deadlines. Your Commission will conduct hearings on the RESP and EIR on January 22, 2015 and February 5, 2015, with a final hearing on February 26, 2015. The grant agreement requires all billings to be submitted to the Energy Commission by March 31, 2015. The Board of Supervisors hearings are tentatively scheduled for March 10 and March 24, 2015.

The Final EIR will be available prior to your February 5, 2015 hearing. The final hearing will take place approximately one month from that date so that your Commission has adequate time to review the changes from the Draft to the Final EIR. In the meantime, the Draft EIR is available on the Department's web site or on a CD.

Attachments

Attachment 1: Summary of Proposed General Plan and Ordinance amendments

Attachment 2: Memo to Planning Commission from Agricultural Preserve Review Committee regarding proposed amendments to the Rules of Procedure to allow renewable energy facilities on contracted land

Attachment 1
Summary of Proposed General Plan and Ordinance Amendments

Summary of General Plan Amendments

Page No.	Document	Proposed Revision Description	Comments
3	Framework For Planning	Change nine combining designations to ten	Administrative revisions to add RE combining designations
4	Framework For Planning	Add RE combining designation definition	
5	Framework For Planning	Add RE combining designation general objectives	
6	Carizzo Area Plan	Add RE combining designation to area plan	
7	North County Area Plan	Add RE combining designation to area plan	
8	San Luis Obispo Area Plan	Add RE combining designation to area plan	
9	South County Area Plan	Add RE combining designation to area plan summary	
10	South County Area Plan	Add RE combining designation to area plan	
13-17	Area Plans	Add maps of RE combining designation	
20-22	Conservation and Open Space Element	Revise Energy Chapter policies programs and glossary	

Summary of Land Use Ordinance Amendments

General Development Standards

Page No.	LUO Section	Proposed Revision Description	Comments
25	Section 22.04.030	Add RE map symbol	
27/29	Section 22.06.030 Table 2-2	Consolidate Electricity Generation into energy generating facilities	This provides a single use group for all electricity generation
30	Table 2-3 footnotes	Note energy generating permit requirements in 22.32	
31	Section 22.10.090C	Move solar height standards to Section 22.32	Consolidate development standards in section 22.32
31	Section 22.10.140A	Move setback standards to Section 22.32	See above
31	Section 22.10.140H	Move setback projection to Section 22.32	See above

LUO Section 22.14
Renewable Energy Combining Designation
Establishment and Standards

31-39	Section 22.14.100	Establishes the development requirements for projects in the RE designation	
32	Section 22.14.100B2	Establishes streamlining applicability to Williamson Act land. Currently, solar facilities are not allowed on Williamson Act land. Allows solar on Williamson Act land under strict requirements in Rules of Procedure	Only solar facilities 20 acres or less are eligible for streamlining on Williamson Act land. Larger projects are subject to MUP or CUP
33	Section 22.14.100B3	Establishes basic eligibility for streamlining in RE designation. Instead, the requirements of LUO section 22.32 apply to the project.	Projects cannot be streamlined in the RE if they meet one of the following: • Includes new transmission facilities • On Class I or II soils • In an SRA • In a conservation easement • In Recreation or Open Space category
34-36	Section 22.14.100 E	Establishes permit requirements for streamlining	Tier 1 projects can be streamlined if they: • On disturbed land • Land previously developed for commercial or industrial use Tier 2 and 3 can be streamlined if: • Not on land zoned open space or Rec • Not on Important Ag Soils
36-39	Section 22.14.100F	Establishes additional development standards for Tiers 2 and 3	Tier 2 and 3 can be streamlined if: • Site cannot have sensitive species (except SJKF) • 500 foot setback from sensitive vegetation

			• Avoids cultural resources • Provides for revegetation • Establish conservation easements for agricultural resource impacts • Sited to be screened from existing residences and roads.
40	Section 22.22.140.F.1 Section 22.22.150.B.8	Allows renewable energy facility in cluster open space parcel	Ground mounted solar as an accessory use would be allowed on a cluster open space parcel

LUO Section 22.32
Renewable Energy Development Standards

41	Section 22.32.010	This section (22.32) establishes the development standards for all Energy Generating Facilities including renewable energy	Section 22.32 contains important development standards for all energy development projects
42-43	Section 22.32.020.A.2	Defines accessory renewable energy facilities	Accessory renewable energy that is ground mounted for onsite use only • Does not provide energy for offsite sale • In FH or SRA combining designation • ½ acre maximum • Not on Class I or II soil • Not subject to environmental permits
43-47	Section 22.32.030	Establishes permit requirements for renewable and non-renewable energy projects	
49-54	Section 22.32.040	Establishes development standards and general requirements	Identifies standards for discretionary projects
54-60	Section 22.32.050	Establishes permit	Identifies standards

		requirements and development standards	such as heights, setbacks, lighting, screening, and agriculture easements.
60-63	Section 22.32.060	Establishes development standards for wind energy conversion systems	Identifies standards such as height, setbacks, location, noise and visual

LUO Section 22.80
Land Use Ordinance Definitions

63-66	Section 22.80.030	Establishes definitions of new terms	Adds definitions of new terms used in the RESP including: • Accessory renewable energy facilities • Bioenergy Facilities • Distributed Energy Resources • Energy Generating Facilities • Renewable Energy Facilities Solar electric facilities

LUO Section 22.94- 22.108
Revisions to Use Limitations in Specific Areas

66-67	22.94.082.C	North County-Stockdale Rd	Allow REF
67-68	22.94.082.D	North County-Wellsona Rd	Allow REF
69	22.94.082.G.4	North County – Spanish Camp	Allow REF
69	22.94.082.G.5	North County-Almira Park	Allow REF
69	22.94.090.C	North County – Shandon	Allow REF as accessory use
70	22.96.050.A	San Luis Obispo-O'Connor Way	Rename terms
71	22.96.050.B	San Luis Obispo-Irish Hills and Buckley Rd	Allow REF
71	22.96.050.E.2	San Luis Obispo-West Foothill area	Rename terms
72	22.96.050.E.3	San Luis Obispo-West of Bear Valley	Allow REF
72	22.96.050.F.3	San Luis Obispo – Squire Canyon	Allow REF
72	22.98.062.B.3.c	South County – Tiffany Ranch	Allow SEF
73	22.98.072.A.3.a	South County-Nipomo	Allow REF

		and Santa Maria Valleys	
	22.98.072.F.1.a	South County – Willow and Via Concha	Allow REF as accessory use
74	22.104.030.C/E	North County - Heritage Ranch	Allow REF
74	22.104.030.F.2	North County-Heritage Ranch	Allow REF as an accessory use
75	22.104.040.F.1/B.1	North County-Oak Shores	Allow REF as an accessory use
76	22.104.060.B.3	North County-San Miguel	Allow REF
76	22.104.060.D-E	North County-San Miguel	Allow REF as accessory use
77-78	22.104.080.E2/F1	North County-Shandon	Allow REF
78	22.104.090.D.4.a/G.2.a	North County-Templeton	Allow REF as accessory use
79-80	22.106.010	South County-Avila Beach	Allow REF as accessory use
80	22.108.040/050/060	South County-Oceano	Allow REF as accessory use